



Investment Firms Prudential Regime Disclosures

For the period ended March 31, 2025

Wise Assets UK Ltd

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2. Introduction

2.1. This Document and Background

This document provides disclosures for Wise Assets UK Limited (“Wise Assets” or “the Company”) as of 31 March 2025. Wise plc (“the Group” or “Wise Group”) is the ultimate parent entity of Wise Assets UK Limited, an FCA firm authorised to carry out investment services under Part 4a of the Financial Services and Markets Act 2000 (FSMA) (FRN 839689). Any reference to (“the Board”) relates to the Wise Assets UK Limited Board, with reference to the Wise plc Group Board noted.

The annual disclosures made by Wise Assets UK Limited, are designed to comply with the requirements of the FCA for non-SNI (Non-small and Non-interconnected) MIFID Investment Firms.

This document gives details of the governance structure, risk management policy, own funds and own funds requirements, and remuneration policy of Wise Assets UK Limited. The document has not been independently verified and should not be relied upon in making any judgements in respect of the financial position of Wise Assets UK Limited or, at a higher level, the Group.

2.2. Regulatory Context

The FCA Prudential sourcebook for MIFID Investment Firms (MIFIDPRU) sets out the framework governing the amount and nature of financial resources that investment firms must maintain. The rulebook is binding on any MIFID investment firm authorised and regulated by the FCA.

The disclosure framework in MIFIDPRU 8 covers:

- Governance arrangements
- Risk management objectives and policies
- Own funds
- Own funds requirement
- Remuneration policies and practices
- Investment Policies

2.3. Basis of Preparation and Frequency of Disclosure

Wise Assets UK Limited’s disclosures are in line with the disclosure requirements as stated in MIFIDPRU 8 of the FCA Handbook which applies to MIFID investment firms. Wise Assets UK Ltd is a non-SNI firm and Wise has chosen to comply with MIFIDPRU 8 both on an individual level and a consolidated basis.

Wise Consolidation Group has published their MIFIDPRU 8 disclosure report as if it was a non SNI firm and can be found at the following link.

<https://wise.com/imaginary-v2/images/9dd49904dd00b61a8ef501bd82fd6754-2025MIFIDPRU8Disclosures.pdf>

In complying with the disclosure rules, Wise Assets UK Limited has provided a level of detail in its qualitative disclosures that is appropriate to its size and internal organisation, and to the nature, scope, and complexity of its activities.

Wise Assets UK Ltd publicly makes its disclosure report on an annual basis. However, where particular circumstances demand it, Wise Assets UK Limited will make more frequent disclosures.

The responsibilities for disclosures in Wise Assets UK Limited, and Wise at a wider level, are principally owned by the CFO with material input from the Finance, Risk and People teams. Overall, Wise Assets UK Limited believes that its disclosures presented throughout this report (when read in conjunction with the most recent financial statements), appropriately detail the overall risk profile of Wise Assets UK Limited and have been reviewed and approved by the Board.

2.4. Company Structure & Business Activities

As of 31 March 2025, Wise Assets UK Limited is a wholly owned subsidiary of Wise Investment Holdings Ltd, a UK registered holding company. Wise Investment Holdings Ltd is a wholly owned subsidiary of Wise Financial Holdings Ltd, a UK registered holding company. Wise Financial Holdings Ltd is a wholly owned subsidiary of Wise plc, a public limited company incorporated and domiciled in England.

3. Governance Arrangements

3.1 Board Structure & Committees

In line with MIFIDPRU 8.3, Wise Assets UK Limited has defined its governance arrangements below. The following lists are the names, positions and external directorships of the Directors as at 31 March 2025.

Name	Position	Number of External Directorships
Kristo Käärman	Chair	2
Kingsley Kemish	Director	0
Chandni Bhan	Director	0

Executive Management Team

As a subsidiary, Wise Assets UK Limited leverages the structure of the Group, which operates a functional management structure with key roles and responsibilities reporting to the CEO. Each area of responsibility reports to the CEO except for the General Counsel and Risk which report to the CTO and Internal Audit which reports to the CFO. Risk and Internal Audit also report into the Chair of the Wise plc Group Board Audit and Risk Committee for independence purposes.

Corporate Governance

Wise Assets UK Limited's corporate governance framework is closely aligned with the approach implemented at the Group level. The Wise Assets UK Limited Board communicates updates to the Wise plc Board as required.

The Board serves as the governing body of Wise Assets, with key responsibilities that include, but not limited to:

- Ensuring the effective and prudent governance and management of Wise Assets;
- Ensuring that Wise Assets meets its obligations under its UK licence;
- Overseeing the implementation of the company's strategic objectives;
- Providing robust oversight of risk management, compliance, and internal controls; and
- Adopting and periodically reviewing company policies.

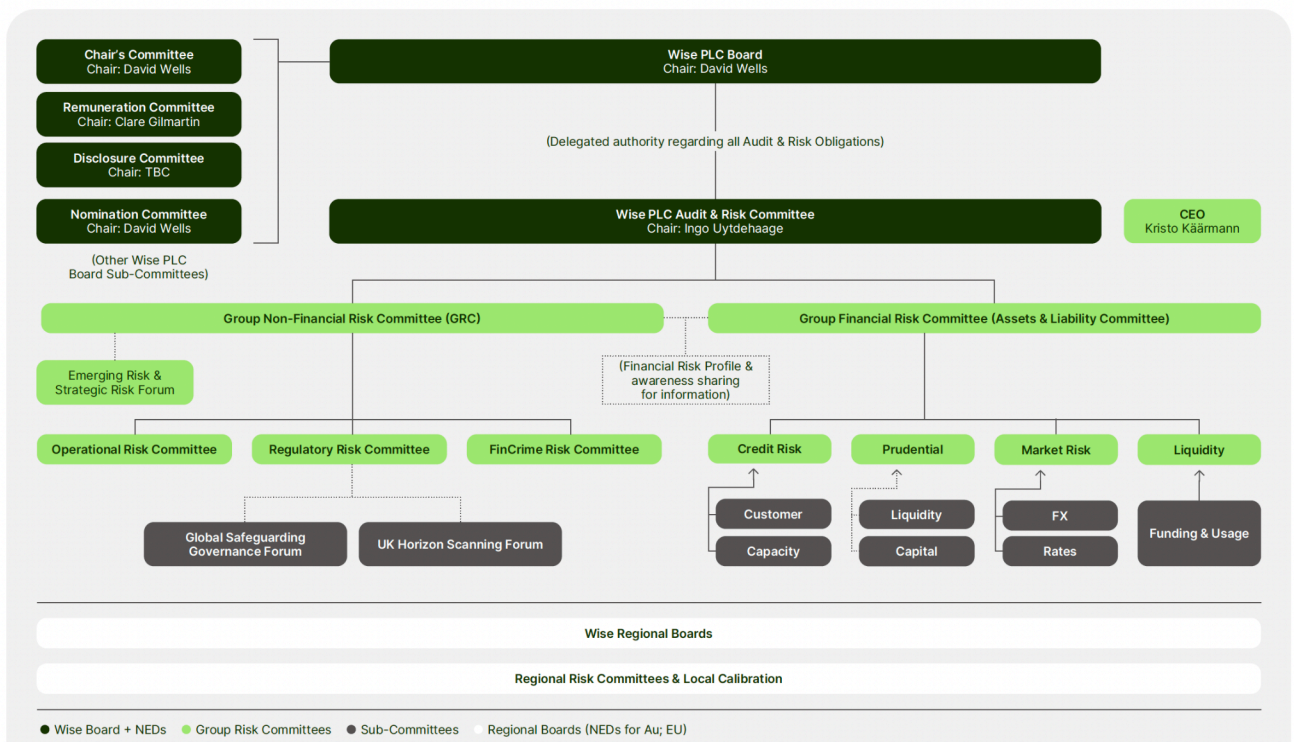
The Board convenes at least four times a year for scheduled meetings, during which it reviews written reports from senior management covering key business areas and functions including Finance, Regulatory Oversight, Customer Care, FinCrime and Risk.

As a subsidiary, Wise Assets operates within the governance framework established by the Wise Group. Detailed corporate governance practices for the Group are outlined in the following sections.

The Wise plc Group Board is committed to high standards of corporate governance and, as such, has established a nomination committee, a remuneration committee, a disclosure committee, and an audit and risk committee. If the need should arise, the Wise plc Group Board may set up additional committees as appropriate. The Wise plc Group Board delegates the day-to-day responsibility of running the Group to the CEO, who has in turn established his Leadership Team to enable him to discharge his obligations. The Leadership Team is responsible for setting Wise’s vision, overseeing key metrics, creating and sustaining the culture and environment for Wise and Wisers to thrive, and allocating resources and accountability at a high level. The CEO has also established various risk committees that provide oversight, challenge and advice on operational and risk matters.

The committees are:

- Group Risk Committee (“GRC”)
- Financial Crime Risk Committee
- Operational Risk Committee
- Regulatory Risk Committee
- Assets and Liabilities Committee (“ALCO”)
- Credit Risk Committee
- Prudential Risk Committee
- Market Risk Committee
- Liquidity Risk Committee
- Emerging Risk & Strategic Forum



Board Diversity

Wise Assets UK follows the Wise Group Diversity, Equity & Inclusion (“DEI”) Strategy.

Wise serves a global community of millions. And to do that, our team needs to reflect and understand all the diversity the world has to offer. To demonstrate our commitment to diversity and compliance with MIFIDPRU 8, our Wise Assets Board currently has diversity representation of 33% women, 33% ethnic minority background, and 33% neurodiverse.

Inclusive hiring principles are built into our end-to-end process for Board and executive recruitment to promote diversity and source candidates with a range of backgrounds, cultures and experiences.

Specific measures that we take include:

- Training the Board and executive recruiting team in unconscious bias
- Setting clear criteria for selection to mitigate performance bias
- Limiting requirements for the role to minimise diverse candidates self-selecting out
- Ensuring all search strategies include diverse candidate targeting
- Removing gender bias from job descriptions and in-mail messages using a gender decoder
- Ensuring a diverse, representative interview panel on every search
- Adapting our process to accommodate and support the needs of diverse candidates.

3.2 Risk Governance Structure

Wise Assets does not meet the MIFIDPRU quantitative criteria to be considered a “large” non-SNI firm and, accordingly, not required to establish Risk, Remuneration and Nomination Committees.

Wise Assets Board do review key risks in Board meetings and appropriate governance of risks provides assurance to the Group Board that risks are being identified and managed adequately across the business, including Wise Assets UK.

3.3 Governance Hierarchy

The Group has in place a governance hierarchy which promotes a top-down and bottom-up approach to the flow of risk control oversight and management.

The plc Board has overall responsibility for monitoring the effectiveness of the Group’s risk management and internal control systems, which it has delegated to the Group Board Audit and Risk Committee (ARC”). The ARC reviews the Group’s principal regulatory, financial crime, operational and financial risks, whilst also considering key emerging risks that have the potential to impact both the Mission and the company in general.

In addition to the work of the ARC, the CEO has an established Leadership Team and appropriate risk committees that provide further governance, oversight and advice to the ARC and senior management. These risk committees assist the CEO and Leadership Team

with the monitoring of key risk indicators and risk appetite measures to determine the appropriate points of intervention or plc Board escalation.

Ownership is an essential element in our governance, and as such, we have dedicated roles and responsibilities for the Risk Management process. Key individuals across the business own a specific role in implementing this. They are responsible for the effective identification, assessment, mitigation and regular review of the risks in their business area. In the event that escalation to the group risk oversight committees (GRC/ALCO) &/or Board is required, there are well-defined reporting pathways from Licensed Entities in the Wise governance structure.

4. Risk Management

Wise Assets UK Limited follows the Group risk management policies and practices as noted below, and in our Group MIFIDPRU 8 Disclosures. As mentioned above in Section 2, any reference to “the Group” or “Wise Group” in this section relates to Wise plc, the Group that Wise Assets is a part of.

4.1. Risk Management Objectives

As a global provider of financial services our operating environment at Wise Group is dynamic, causing our risk landscape to constantly evolve as we build and operate products to achieve our Mission.

The objective of Risk Management at Wise Group is to provide a structured approach to identifying, assessing, managing and monitoring risks across the Group. Our Enterprise Risk Management Framework (ERMF) outlines how Wise Group designs, implements, evaluates, improves and integrates risk management throughout the business on a consistent and reliable basis.

A key part of the Risk Management Objectives and ERMF are embedding the right risk management principles and approach at Wise Group. Here are some risk management principles we use at Wise Group:

Proactive Identification: Continuously identify, assess, and anticipate risks across all business lines and activities including emerging risks.

Comprehensive Assessment: Conducting thorough analysis to understand the nature, severity, and potential impact of identified risks and effectiveness of control environment through application of consistent frameworks.

Integrated Approach: Fostering a culture where risk awareness is embedded in decision making and business operations, and there is a feedback loop from incidents, monitoring and other processes, continually informing our risk position.

Transparency: Emphasis on open communication, transparency of risk issues and learning from mistakes rather than assigning blame, fosters an environment where all Wiser’s feel empowered to identify and address potential risks and issues proactively.

Continuous Improvement: Regularly review and enhance risk management processes, tools, strategic prioritisations and controls to adapt to changing market conditions, strategy and regulatory requirements.

Balanced approach: We recognise that accepting calculated exposure to risks is essential for innovation and growth, and ensure that it is done in a manner to minimise impact to customers and safeguard long term viability of Wise Group as well as interest of our shareholders.

4.2. Risk Strategy

Wise Group risk management principles are actively embedded across the business (and enable our strategy) through the following risk management approach.

Positive tone from the top	Risk mitigation is a fundamental pillar of our product design and managers should encourage their team to execute on the risk management processes.
Empowered Employees	All employees are encouraged by their managers to actively identify, report, and mitigate risks within their areas of responsibility with emphasis on fixing problems rather than assigning blame. This improves the chances that risks are identified and mitigated early.
Open Communication	Transparent communication channels facilitate the sharing of risk information, concerns, and best practices across the organisation. This principle aligns to our core value of transparency. We don't just talk about our risks within Risk Committees, we make our risk information available to all Wisers, and are open with each other in the way we talk about risk and what our plans are to mitigate it.
Accountability	Risk owners and Principal Risk Owners are clear about their accountability and authority to take decisions necessary to manage or mitigate risks.
Risk Awareness and Training	Ongoing training and education programs enhance employees' understanding of risk management principles, processes, and best practices.
Effective Governance	Appropriate governance structures, including risk committees and oversight functions, help ensure risks are discussed, challenged and escalated in a timely manner.
Continuous Improvement	Lessons learned from risk events (incidents) and near misses are used to enhance risk management processes and controls.
Regulatory Compliance	Commitment to compliance with regulatory requirements, with proactive measures taken to address emerging regulatory challenges.
Ethical Conduct	Adherence to high ethical standards and integrity in all business dealings, with zero tolerance for unethical behaviour or misconduct that may compromise our reputation or financial stability.

Through proactive risk identification, comprehensive assessment, and agile mitigation measures, we are committed to safeguarding the interests of our customers and stakeholders as we seek to achieve our Mission. How Risk will support each of the key mission pillars is summarised in the below table.

Mission Pillar	How risk management processes are an enabler...
Price	Govern the management of financial risks and operating losses which directly impact prices we can offer our customers.
Convenience	Thoughtful risk management can avoid ineffective controls that could inconvenience customer's experience of Wise Group.
Speed	Effective and automated controls enable instant payments and money movement.
Transparency	We are open about our risks and how we manage them.

4.3. Risk Appetite Statement

Risk appetite is integrated with the business Mission & Objectives and reflects the level of risk that Wise Group management is prepared to accept while pursuing its strategic objectives. If the risk appetites are misaligned with strategy, in that they are set too high, this could significantly impair our ability to achieve strategic objectives due to significant financial, reputational or regulatory impact. Likewise if the risk appetites are too low, it could overly constrain our potential for growth and ability to capitalise on opportunities.

Group Risk Appetite Statements (RAS) are set by the Wise plc Group Board to exercise governance over the risk exposure of the business at an aggregate level.

As part of management information and risk governance reporting, the GRC and ARC have regular (quarterly) oversight on performance of the business against Group risk appetite as set out in their respective terms of reference. In the event any risk is in breach of its appetite limit set by the ARC, this must be escalated to the ARC, with clear remediation plans.

4.4. Risk Reporting & Governance

Wise Group's risk governance arrangements provide the structure within which risks are monitored and reported. The hierarchy of committees responsible for risk governance and oversight are set out in the Governance Structure of this document (section 3 above).

As the material risk takers for Wise Group, all members of the Leadership Team are part of the GRC. Leadership Team members also take key membership and governance chair roles across the ALCO, Operational Risk Committee, Regulatory Risk Committee and Financial Crime Risk Committees.

Our Group risk governance structure is supported by the Wise Assets UK Board which considers the specific Wise Assets UK risk position and supports the overall Group Risk Governance Framework in managing risk across the Group through oversight and escalation. Refer back to the diagram in the Governance section of this disclosure to review the Risk Committee structure at Wise plc.

4.5. Board Declaration

The Wise plc Board is the ultimate governing body responsible for the Enterprise Risk Management Framework and overall risk oversight at group level, including strategy, appetite, resource, culture and capability. The Wise Assets UK Board is responsible for entity-specific policies and frameworks and approval of the imposition of any specific requirements over and above those required at group level.

4.6. Risk Profile

When we consider business activities across Wise Group, we are subject to a broad range of risk areas that have the potential to negatively impact our Mission or provide opportunities for exploitation. These risk types can be categorised across two key risk types, Financial Risk and Non-Financial Risk.

Financial Risk

Financial risk refers to those events which can impair an organisation's ability to meet its financial obligations as a consequence of the exposure to financial transactions under adverse situations such as market volatility, credit quality deterioration or changes in customer behaviours. Managing financial risk is paramount to ensuring stability and delivery of Wise Group's Mission while adhering to regulatory standards and preserving trust. We categorise these into three significant areas of risk - Liquidity Risk, Credit Risk and Market Risk.

By proactively managing Financial Risk, Wise Group can hold capital and liquidity sufficient to withstand distressed situations and comply with regulatory and internal adequacy requirements on a current and forward looking basis, whilst also facilitating strategic decision-making by providing insights into risk exposure, enabling prudent allocation of resources and adaptation to market changes.

Non-Financial Risk

Non-financial risk refers to those risk types that do not directly involve financial transactions or market fluctuations but can still impact the operations, regulatory compliance, reputation, or sustainability of the Wise Group. Non-financial Risk encompasses a wide range of factors, including operational, strategic, compliance, reputational, and environmental risks. We categorise these into two significant areas of risk - Compliance Risk and Operational Risk - as defined below.

Operational Risk: Loss resulting from inadequate or failed internal processes, people and systems.

Compliance (including Financial Crime, Conduct & Regulatory) Risk: Compliance with laws, regulations and ethical standards.

Principal Risks

A principal risk is a significant risk that could negatively impact Wise Group's strategic objectives, financial position, or future performance. Principal risks are linked to business priorities and are actively managed to ensure they don't prevent the company from achieving its goals. Our Principal Risks and mitigation strategies are reviewed at least annually and are disclosed to key stakeholders in the [Wise Group Annual Report](#).

Therefore, while the risk taxonomy contains a comprehensive and logically structured list of risks that may affect the business, the five principal risks below provide an overview of those risks or combinations of risks which the Board considers the most important:

- **Financial crime and fraud** - Financial crime risk covers any failure on the part of the business to detect and prevent customers using our services for financial crimes, such as money laundering, bribery and corruption and other fraudulent activity. Fraud risk is the possibility of the organisation, its customers, or both, being subject to fraudulent activity. This can come either from within (by Wisers) or externally (by individuals abusing our services and/or our customers while they use our services).
- **Cyber security** - Cyber security risk refers to the effectiveness, availability, integrity and security of IT systems in the face of the risk of either external or internal security compromise. The almost exclusively digital nature of our business means that cyber security risks are particularly acute. They are central to our operational considerations – even where risk appears minimal.
- **Operational resilience** - This is the risk that Wise Group is vulnerable to an internal or external incident which has the capacity to adversely affect our ability to provide important business services to consumers or wider market participants.
- **Liquidity management** - The risk that Wise Group does not have the right type and quantity of funds, in the right place, at the right time, and in the right currency to meet liabilities as they fall due.
- **Regulatory risk** - The risk that Wise Group fails to comply with applicable requirements as a group of regulated entities with licences to provide our products and services globally.

4.7. Risk of Harms Assessment

As part of the risk management process and in order to produce a reasonable estimate of the own funds needed (in line with MIFIDPRU 7) to address any potential material harms that the Group, its customers and the industry face, a risk identification process which takes into account the causes of harms to our customers, the market participants, stakeholders and industry overall is performed by Wise Group.

This process involves

- Identifying all harms (level 1 to level 4) that exist in our risk taxonomy, including understanding how these harms impact Wise Group, our people, our customers, or the markets.
- Map taxonomy lines at the most granular level available, to KRIs and controls (as per RCSA).
- Assessing the quantum of the residual risk after controls for material harms, and hold capital against that residual risk.

Overall, the Group is aware of the potential for harms associated with its business strategy, against its clients, the industry and the firm. In particular the Group acknowledges risks in IT, security, privacy, third party vendors, and fincrime prevention. Further information regarding the Group's risk strategies and processes to manage each of the categories can be found in the Risk Management section of our Annual Report.

5. Own Funds

5.1 Regulatory Composition of Own Funds

As required by MIFIDPRU 3.2, the Company's total own funds ("capital") is the sum of its:

- Common Equity Tier 1 capital (CET1), which is comprised of common shareholders' equity, after deducting disallowed items and other adjustments;
- Additional Tier 1 capital, which is comprised of other qualifying capital instruments; and
- Tier 2 capital, which consists of long term qualifying subordinated debt and preferred shares.

Wise Assets UK Limited's Called Up Share Capital consists of 560,000,100 Ordinary shares valued at £0.01 per share, with an overall value of £5,600,001. During the year, the Company issued 275,000,000 ordinary shares at £0.01 to Wise Investments Holdings Ltd for a total consideration of £2,750,000. Currently the Company has no Additional Tier 1 or Tier 2 instruments.

As of 31 March 2025, the Company's total CET1 capital was £8.105m (2024: £2.934m) before deductions and £6.951m (2024: £2.272m) after regulatory deductions, including audited current year profits.

The table below provides a summary of the Company's own funds and regulatory deductions as of 31 March 2025:

	2025	2024	Variance
	£'000	£'000	£'000
Share capital	5,600	2,850	2,750
Retained earnings	2,505	84	2,421
CET1 Capital (Pre Regulatory Deductions)	8,105	2,934	5,171
Regulatory Deductions			
Investments in subsidiaries	1,154	662	492
Total Regulatory Deductions	1,154	662	492
Total Available Regulatory Capital	6,951	2,272	4,679

5.2 Deductions From CET1

Investments in subsidiaries

The Company holds direct subsidiary undertakings in Wise Assets Europe AS, with its principal activity the provision of investment services to Wise Group customers residing in Europe.

5.3 Current Year Audited Profits

As at the date of publication of this report, the current year profits have been independently audited and verified and are therefore included in CET1. Further information on the composition of CET1 is also provided in the Appendix of this document.

6. Own Funds Requirements

6.1 Introduction

As per MIFIDPRU 7.4.7R, the Company must at all times hold adequate own funds to ensure that:

- A. It remains viable throughout the economic cycle, with the ability to address any material potential harm that may result from its ongoing activities; and
- B. That its business can be wound down in an orderly manner, minimising harm to consumers or to other market participants.

6.2 Own Funds Requirement

Wise Assets UK Limited, as non-SNI firm, is subject to a variable own funds requirement according to MIFIDPRU 4.3 that is the highest of:

- (1) Its permanent minimum capital requirement, which under MIFIDPRU 4.4 is set as £750,000;
or
- (2) Its fixed overheads requirement (“**FOR**”) under MIFIDPRU 4.5. FOR is equal to one quarter of the firm's relevant expenditure. Wise Assets UK relevant expenditure has materially changed during the year, following strong growth of the Assets product. As such FOR is now calculated on projected relevant expenditure for the current year basis. As at 31 March 2025, audited 31 March 2025 FOR has been used.

The Company's FOR results from the accounting framework (“IFRS”) used in the most recent annual financial statements and is intended to calculate a minimum amount of capital that an MIFIDPRU investment firm would need to have available to absorb losses if it has cause to wind down or exit the market.

The Company has assessed the wind-down cost for FY25 separately which has been calculated to be lower than the FY25 FOR.

or

- (3) Its K-Factor Requirement (“**KFR**”) under MIFIDPRU 4.6. Wise Assets UK Limited has assessed all K-factors and has deemed applicable to the Company only the following:
 - (a) **K- Assets Safeguarded and Administered (K-ASA)**,
 - (b) **K- Net Position Risk (K-NPR)** and
 - (c) **K- Daily Trading flow (K-DTF)**.

The table below provides details of the K-factors that are applicable to Wise Assets UK Limited as at 31 March 2025, according to MIFIDPRU 8.5.

	2025	2024
	£'000	£'000
Sum of K-AUM, K-CMH and K-ASA	1,137	599
Sum of K-COH, K-DTF	65	38
Sum of K-NPR, K-CMG, K-TCD and K-CON	609	94
Consolidated K-Factor Requirement	1,811	731

The table below provides the Own Funds Requirement calculation for the Wise Assets UK Limited as of 31 March 2025.

	2025	2024
	£'000	£'000
Capital requirement		
<i>Highest of:</i>		
Permanent Minimum Requirement	750	750
K-Factor Requirement	1,811	731
Fixed Overhead Requirement	2,112	1,026
Own Funds Requirement	2,112	1,026
Eligible Capital Available	6,951	2,272
Excess Eligible Capital Over Own Funds Requirement	4,839	1,246
Own Funds Requirement Surplus Ratio	329.1%	221.4%

The Company is required to have own funds (capital) that satisfy all the following requirements:

- A. CET1 capital ratio greater than 56% of the Company's own funds requirement;
- B. Sum of CET1 and AT1 greater than 75% of the Company's own funds requirement;
and
- C. Firm's own funds must be equal or greater than 100% of the Company's own funds requirement.

Eligible Capital is composed of CET1. Hence, all the above criteria are met at all times and are forecast to be fulfilled in the future.

The Company assesses the adequacy of its own funds in line with the overall financial adequacy rule by calculating the own funds requirement and eligible capital figures, as outlined above, at least on a monthly basis. These calculations are also reviewed against prior period figures, internal metrics, and external guidelines.

7. Remuneration Policy and Practices

Wise Assets UK Limited follows the Group remuneration policies and practices as noted in this Section, and in our Group MIFIDPRU 8 Disclosures. Over the past financial year, Wise Assets UK Limited has had no employees and therefore no remuneration expense over the period. Relevant remuneration disclosed below is paid through the Group.

Senior Management Function holders (SMFs) and Other Material Risk Takers (MRTs) receive no direct remuneration from Wise Assets, instead receive remuneration from other Wise Group entities for the services provided to the Group (which includes their role as SMFs and MRTs) during the year ended 31 March 2025.

Wise Group's Remuneration Policy, has been designed to attract, retain, and motivate world-class talent in order to deliver our mission and long term sustainable success.

Our remuneration principles are consistent across the Group. We aim to ensure that our reward packages for all employees (both executives and the wider global Wise team) are market competitive and we undertake regular market benchmarking to support this objective. All permanent employees at Wise receive share awards, to enable a culture of ownership, alignment to our wider shareholders and a focus on the long term growth of Wise.

The current Group Remuneration Policy is underpinned by the following four principles:

1. We believe it is critical to the delivery of our mission that we can attract, motivate and retain the very best global technology talent. We operate in a highly competitive global marketplace for talent, comprising publicly listed and private global FinTech and technology companies as well as traditional Financial Services companies, and competition for talent is intense. It is therefore crucial for Wise to continue to offer competitive total compensation.
2. We have a long-term mission and are focused on creating sustainable value for shareholders. Our compensation is therefore weighted towards the long-term and has a high equity component.
3. We believe our employees should be shareholders in Wise to further align their success with that of all shareholders. In practice, this means that a substantial component of our compensation is variable and delivered in shares.
4. Remuneration arrangements take into account (i) our listing in the UK; (ii) the provisions of the 2018 UK Corporate Governance Code; (iii) regulatory requirements; and (iv) general investor expectations.

7.1 Remuneration Committee

The Remuneration Committee for Wise Group comprises at least three Independent Non-Executive Directors.

- Elizabeth Chambers (Chair of Remuneration Committee)
- David Wells (Chairman of the Board)

- Ingo Uytdehaage (Chair of Audit and Risk Committee)

During FY2025, there have been no changes in the composition of the Remuneration Committee.

In order to support the Group Remuneration Committee, the following are regular attendees:

- Global Head of Reward;
- Chief Executive Officer;
- Chief People Officer and;
- Company Secretary.

The Group Remuneration Committee meets regularly with our advisors and holds Independent Non-Executive Director only sessions. No individual takes part in any decision in relation to his or her own remuneration and no member of the Remuneration Committee has any personal financial interest (other than as a Wise Owner) in the decisions made by the Remuneration Committee, nor do they have any day-to-day involvement in running the business.

The Group Remuneration Committee has key responsibilities relating to remuneration matters for the Group as a whole, including the following:

- Overseeing the design of remuneration policies and practises which support Wise's business vision, aligned with all relevant regulatory requirements and promote long-term sustainable success;
- Determining the Group's approach to Executive Director remuneration in the context of company culture and employee remuneration, approving appropriate levels of remuneration for Executive Directors and also the members of the Company's Senior Leadership team within the terms of the agreed Remuneration Policy; and
- Overseeing the Group's employee share schemes.

For more information on the Group Remuneration Committee's Terms of Reference visit <https://wise.com/owners/>

7.2 Remuneration Philosophy

Wise's remuneration principles outline the structure of remuneration arrangements globally, ensuring alignment with Wise's vision and long-term sustainable success, as well as adhering to our guiding cultural principles of transparency and fairness. These principles form part of Wise's Risk Management Framework.

There are a number of employees who are responsible for remuneration at Wise:

- Wise's Global Head of Reward is responsible for developing Wise's approach to reward, remuneration principles and Policy, managing the day-to-day implementation of this.
- The Wise plc Board approves the recommendations from the Remuneration Committee regarding the Wise's Remuneration Policy and principles.

- Wise Group's Remuneration Committee sets the remuneration for the Chair of the Board, Executive Directors, Senior Executive Leaderships Team and Wise Assets Material Risk Takers, in accordance with the Principles and Provisions of the UK Corporate Governance Code ('Code') and UK regulatory remuneration rules. The Remuneration Committee also oversees the policies and frameworks in place for remuneration for the wider company, including the review of available data relating to pay gaps or disparity (such as gender pay gap information or pay ratio analysis).

External advisors

In February 2023, following a comprehensive tendering process, the Remuneration Committee appointed Deloitte LLP to be its independent advisors on executive remuneration. Deloitte LLP is a founding member of the Remuneration Consultants Group and, as such, voluntarily operates under its Code of Conduct in relation to executive remuneration matters in the UK. The Committee is satisfied that the advice it has received from Deloitte LLP is independent and that the engagement partner and team that have provided remuneration advice do not have connections with the Company that might impair their independence. The fees paid to Deloitte LLP in FY2025 in relation to advice provided to the Committee were £154,000. Deloitte also provided tax advisory services to Wise during FY2025.

7.3 Pay & Performance

Fixed Remuneration

This element of pay is designed to attract, motivate and retain employees to deliver our mission and long term sustainable success.

Base salaries are normally reviewed annually, with increases at the discretion of the Company and the Remuneration Committee. When setting base salaries, the Company takes into account a number of factors including (but not limited to):

- skills and experience of the individual
- the size, scope and complexity of the role
- salary increases across the team, function and Company
- salary levels for comparable roles in other similarly sized companies globally

An out-of-cycle review may be conducted if it is deemed appropriate. Performance of the firm and business units is not taken into account when setting fixed remuneration.

Any incoming employees are hired at market competitive salaries. Pension contributions (if market applicable) for employees are aligned with the wider employee base in the country where the individual is based. Competitive, cost-effective benefits are given based on the market in which the employee is employed.

Share Based Compensation

In line with the principle of weighting remuneration towards the long-term and aligning with the Group mission and shareholder success, share based compensation is granted to all employees. Awards are based on role and level within the Group.

Executive Director Remuneration

Annual Bonus

We do not award annual bonuses across the Group, however we do have the ability to do so for Executive Directors as a part of the Directors' Remuneration Policy, for example if the Remuneration Committee believes it necessary to recruit and / or motivate Leadership or for succession reasons. No bonuses have been given to date in FY25 and further details of the policy are set out in the Annual Report and Accounts.

Long-term Incentive Plan (LTIP)

Executive Directors are eligible to participate in the Hybrid LTIP. The LTIP award opportunity is split between:

Performance shares with a maximum opportunity of 325% of salary, subject to the achievement of performance targets over a three-year period, with a two-year post-vesting holding period. In the year to 31 March 2025, Relative TRS, Volume Growth and Customer NPS targets were used to measure performance.

Restricted shares with a maximum opportunity of 325% of salary. These shares will vest in equal annual tranches over three years, subject to continued employment and the satisfaction of appropriate performance underpins. Each tranche is subject to a two-year post-vesting holding period.

Shares from vested LTIP awards must be held for a further two years to help ensure that performance delivered over the performance period is sustainable.

Executive Directors are subject to share ownership guidelines of 300% of base salary, and this requirement will continue for two years post cessation of employment.

Risk Adjustment

Risk adjustment is any downward adjustment made to variable remuneration.

For ex-ante risk adjustment, Wise monitors the company's identified risks and performs an assessment to determine whether any adjustments to the planned stock grants are required. Prior to the grant of each quarterly stock batch, an assessment of the appropriateness of the proposed awards is submitted to the Remuneration Committee. The assessment must evidence that the awards are appropriate from all financial, risk and people perspectives.

Ex-post risk adjustment refers to the adjustment of variable remuneration to take account of a specific crystallised risk or adverse performance outcome including those relating to

misconduct. Ex-post risk adjustments include reducing current year awards as well as the application of malus and clawback.

Malus and Clawback

Variable remuneration awards made to employees or Executive Directors under the respective Policies, including annual bonus, deferred bonus shares and share awards, may be subject to malus and clawback provisions, where applicable.

Malus refers to the reduction, including to nil, of unvested or unpaid awards. Clawback refers to the recovery of any value delivered in connection with the award. Malus can be applied at the discretion of the Remuneration Committee, and clawback provisions can be triggered in cases defined in the applicable contractual terms, including in summary: circumstances of misconduct or failure to meet appropriate standards of fitness and propriety, errors or material misstatements resulting in overpayment or over-allocation of awards, material failures of risk management, responsibility for conduct that resulted in significant losses, an instance of corporate failure affecting the Company or entities representing a material proportion of the group or behaviour resulting in material reputational damage.

For Executive Directors, awards are subject to Clawback for five years from the date of grant in line with the time horizon for Executive Director LTIP awards.

For other Wisers, awards will be subject to Clawback for four years from the date of grant in line with the total time horizon for stock awards. In the case of top-up and bridging grants, where the time horizon may be shorter than four years, awards will be subject to Clawback from the date of grant to when the award has fully vested, although the Remuneration Committee retains discretion in the case of material harm to extend this to the full four years.

The Group Remuneration Committee will ensure that robust mechanisms are operated to ensure that these provisions are enforceable.

Wise does not have a particular severance pay policy, with any scenarios evaluated on a case by case basis.

7.4 Aggregate quantitative information on remuneration

The following remuneration components were awarded in the year ended 31 March 2025 and are included in the below information:

- Base Salary
- Other allowances (including non-pensionable supplements);
- Remuneration delivered in equity;
- Pension Contributions (or cash in lieu thereof);
- Severance payments
- Other Benefits

2025 Aggregate Remuneration

The following remuneration relates to the Group Senior Management Function holders (SMFs) and Other Material Risk Takers (MRTs). As noted earlier in the section, these beneficiaries receive no direct remuneration from Wise Assets, instead they receive remuneration from other Wise Group entities. The disclosures below relate to total remuneration across Wise plc.

	Fixed Pay £'k	Variable Pay £'k	Total £'k	No. of Beneficiaries
Senior Management Function holders (SMFs)	1,609	702	2,311	6
Other Material Risk Takers (MRTs)	2,535	9,971	12,506	10

The selection of MRTs is reviewed on an annual basis by Reward, Compliance and Risk teams, using the MRT identification methodology approved by the Remuneration Committee in November 2024. This considers how the criteria from SYSC 19G 5.3 and SYSC 19G.5.5 aligns to Wise's internal structure, and where the ultimate risk impact is managed.

No severance payments were awarded during the reporting period.

Information in relation to the aggregate remuneration of all Wise employees can be found in the Wise plc MIFIDPRU 8 Disclosures.

8. Investment Policy

The disclosure obligations relating to an Investment Policy outlined in MIFIDPRU 8.7 do not apply to either Wise Assets UK or the Group. As of 31st March 2025, both Wise Assets UK and the Group do not own any shares in external companies; therefore an investment policy has not been developed.

Appendix

The table below shows the composition of Wise Assets UK Limited's regulatory own funds as at 31 March 2025 (in the format prescribed in MIFIDPRU 8.4.1R).

The Company did not opt for any transitional provisions and the amounts below are consistent to IFRS accounting standards followed in the Company's financial statements.

Cross reference columns serve as a link between the two tables.

Table 1 (OF1)			
Composition of regulatory own funds			
	Item	Amount (£'000)	Source based on reference letters of audited financial statements
1	OWN FUNDS	6,951	
2	TIER 1 CAPITAL	6,951	
3	COMMON EQUITY TIER 1 CAPITAL	6,951	
4	Fully paid up capital instruments	5,600	a
5	Share premium	0	
6	Retained earnings	2,505	b, c
7	Accumulated other comprehensive income	0	
8	Other reserves	0	
9	Adjustments to CET1 due to prudential filters	0	
10	Other funds	0	
11	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	-1,154	d
19	CET1: Other capital elements, deductions and adjustments	0	
20	ADDITIONAL TIER 1 CAPITAL	0	
21	Fully paid up, directly issued capital instruments	0	
22	Share premium	0	
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	0	
24	Additional Tier 1: Other capital elements, deductions and adjustments	0	
25	TIER 2 CAPITAL	0	
26	Fully paid up, directly issued capital instruments	0	
27	Share premium	0	
28	(-) TOTAL DEDUCTIONS FROM TIER 2	0	
29	Tier 2: Other capital elements, deductions and adjustments	0	

Table 2 (OF2)				
Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements				
	A	B	C	
	Balance sheet as in audited financial statements	Under regulatory scope of consolidation	Cross-reference to OF1	
	2025	2025		
Assets - Breakdown by asset classes according to the balance sheet in the audited financial statements				
1	Investments in subsidiaries	1,154	1,154	d
2	Short-term financial investments	124	124	
3	Trade and other receivables	59,514	59,514	
4	Cash and cash equivalents	6,547	6,547	
5	Total Assets	67,339	67,339	
Liabilities - Breakdown by liability classes according to the balance sheet in the audited financial statements				
1	Trade and other payables	59,107	59,107	
2	Income tax payable	127	127	
3	Total Liabilities	59,234	59,234	
Shareholders' Equity				
1	Share capital	5,600	5,600	a
2	Prior year retained earnings	84	84	b
3	Current Year Audited Profit	2,421	2,421	c
4	Total Shareholders' equity	8,105	8,105	
Own funds: main features of own instruments issued by the firm				
1	Directly issued Ordinary share capital	5,600	5,600	
	Total	5,600	5,600	